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Annual Report • Year Ended February 1, 1969

Mammoth Mart, Inc.

Self Service Discount Department Stores

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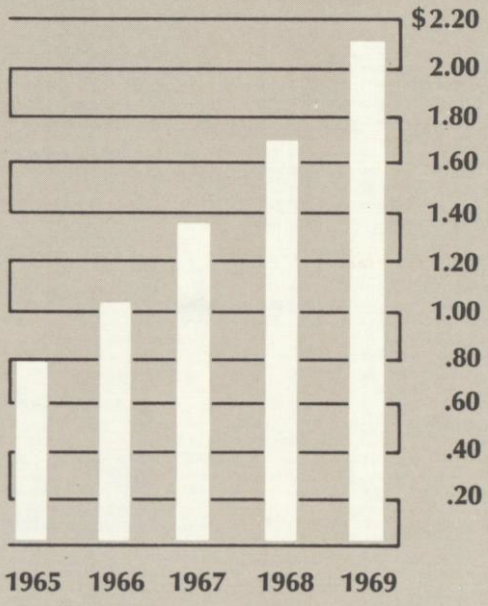
Store Locations

Bristol, Conn.
E. Hartford, Conn.
North Haven, Conn.
Ashland, Mass.
Brockton, Mass.
Canton, Mass.
Dudley, Mass.
Fairhaven, Mass.
Franklin, Mass.
Greenfield, Mass.
Marlboro, Mass.
Raynham, Mass.
Salisbury, Mass.
Weymouth, Mass.
Worcester, Mass.
Brunswick, Maine
Bangor, Maine
Lewiston, Maine
Rumford, Maine
Scarboro, Maine
Waterville, Maine
Gilford, N. H.
Keene, N. H.
Somersworth, N. H.
E. Providence, R. I.
Johnston, R. I.
Bennington, Vt.

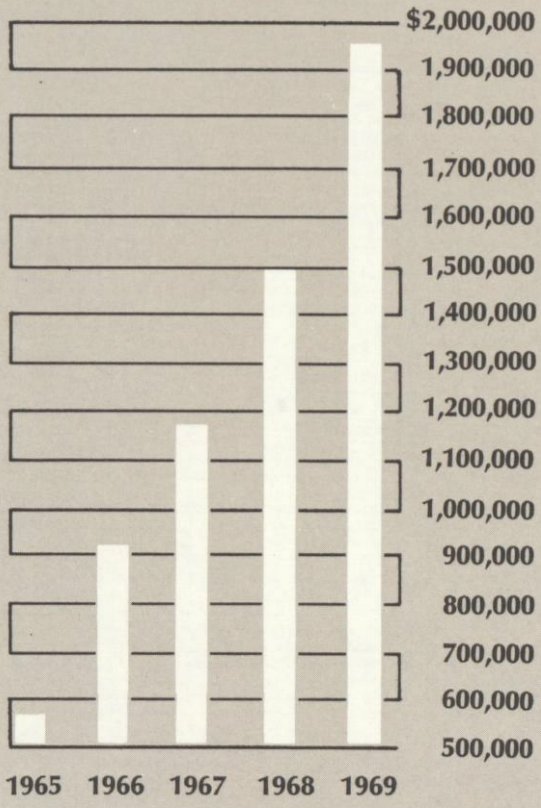
To be opened in 1969

Lumberton, N. C.
Henderson, N. C.
New Bern, N. C.
Bel Air, Md.
Presque Isle, Maine
Rockland, Maine
Burlington, Vt.

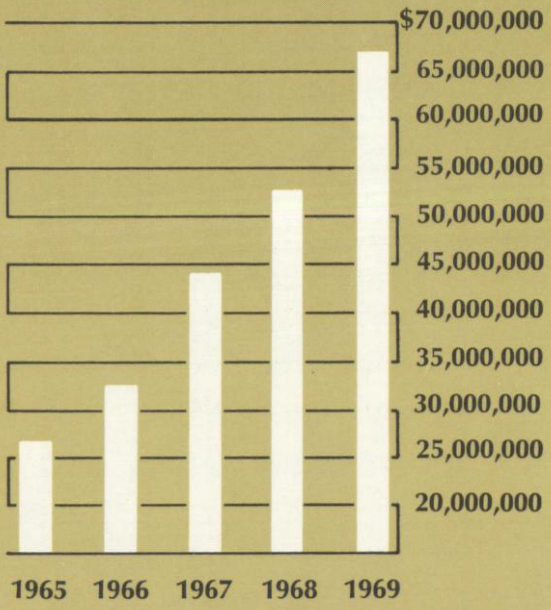
NET EARNINGS PER SHARE



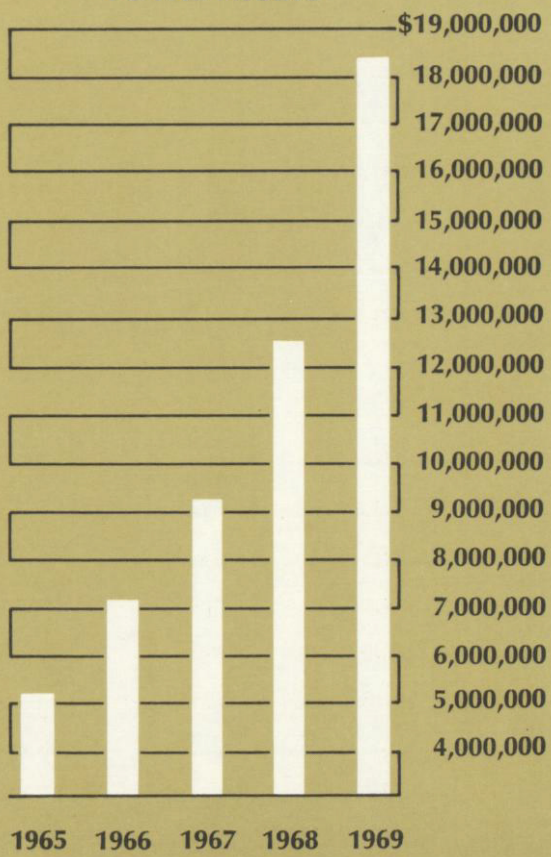
NET EARNINGS



TOTAL SALES



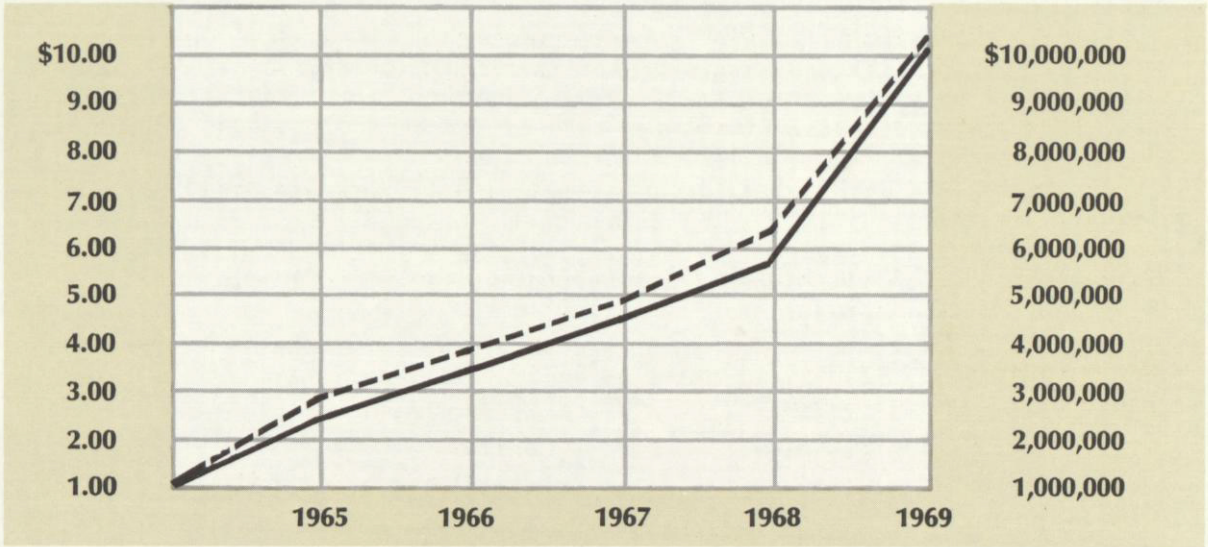
TOTAL ASSETS



FINANCIAL HIGHLIGHTS

	For the Year Ended February 1, 1969	For the Year Ended February 3, 1968
Total Sales	**$66,910,596**	$53,148,137
Earnings Before Federal Income Taxes	**$3,596,054**	$2,610,874
Net Earnings	**$1,937,054**	$1,495,874
Net Earnings Per Share (based on average shares outstanding during year)	**$2.07**	$1.66
Book Value Per Share	**$10.09**	$6.29
Average Number of Shares Outstanding During Year	**935,282**	902,647
Total Assets	**$18,421,542**	$12,531,964
Working Capital	**$8,582,340**	$4,906,446
Stockholders' Equity	**$10,025,852**	$5,694,337
Cash Dividends Paid	**$382,351**	$264,816
Current Ratio	**2.5 to 1**	2.2 to 1

BOOK VALUE PER SHARE ------ STOCKHOLDERS' EQUITY ——



REPORT
of the Chairman and President

April 28, 1969

Dear Shareholder:

1968 was the most successful year in our history. We sold more merchandise than ever before, operated more stores, earned more, and served more satisfied customers than in any previous comparable period.

The numbers speak for themselves. Our **net income increased 29% on a sales increase of 26%,** testifying to an increased level of efficiency at the same time as our volume was expanding.

For the 12 months ended February 1, 1969, our volume totaled **$67 million.** Net income was $1,950,000 and **per-share earnings were $2.07.** In 1967-68 sales were $53.1 million. Net income was $1,500,000, and per-share earnings were $1.66 (as adjusted for a 5-for-4 stock split paid in May, 1968.)

The gains recorded in 1968-69 reflect increased sales per store as well as contributions from four new units added during the year. We now have a total of 27 stores comprising about 1.5 million square feet. In each of the 4 new stores opened, all departments (with the exception of snack bars and lumber) were owned and operated by Mammoth Mart. During the year, we took over the operation of 15 health and beauty aids and 18 domestic goods departments, which had been operated by concessionaires; we now own and operate these departments in all 27 stores. Remaining leased departments now account for less than 5% of our total volume.

In the current fiscal year, we will open our first stores outside of New England. We retain a strong commitment to growth within the 6 state Northeastern Region, but we feel that we now have the increased size and depth of management, and the controls necessary to enable us to function effectively at greater distances from our Headquarters. Our goal is to open 6 to 8 new stores in the next 12 months, in Maryland, North Carolina and New England. The new stores will average approximately 60,000 square feet in size.

We are also making plans to develop programs for continued long-term growth. With this in mind, we have expanded our management structure, have streamlined and strengthened our organization, and have intensified a continuous review of all of our operations to enable us to more effectively meet the challenge of a rapidly growing company.

Our management training program continues to develop new executives. This program is designed to expose our bright young men to merchandising, store operations, sales promotion, personnel, accounting, market analysis, real estate, store layout and design, and all the many other facets that comprise retailing. We believe that the success of this program is already reflected in our steadily growing volume and profits.

On April 1, 1969, the Board of Directors **voted to split the stock on a 2-for-1** basis. This distribution is payable on May 23, 1969 to shareholders of record on May 6, 1969.

The annual dividend rate on the shares to be outstanding after this latest stock distribution has been set at $.28 per share, **up 12% from the prior rate.** This is equivalent to $.56 per share on the stock prior to the 2 for 1 split, up from $.50 per share.

I would like to take this opportunity to particularly thank our employees for their continuing efforts throughout the year. Indeed, I am grateful to all of our suppliers, customers, shareholders and friends everywhere for their continuing confidence.

"We have just begun to grow!"

Cordially,

Max Coffman,
Chairman and President

1968

"We Have Just Begun To Grow"

In reflecting upon our accomplishments during the past year, we believe that the significant trend to be noted is that while we continue to expand and grow at an excellent pace, we also lay the ground work for continued and accelerated growth in the months ahead.

We are now well along the way to a previously-projected sales growth of $100 million by the early 1970's — the year just ended was the third in a five year program projected in 1966. With sales at their present annual rate, we are well within sight of this goal.

MANAGEMENT TEAM: During the year, we recognized that if we are to continue to grow and expand, it was necessary to strengthen our management. Accordingly, we reviewed and analyzed our organizational set-up and restructured it to accommodate our future requirements.

(1) We have created the position of Vice-Chairman of the Board and appointed to it, Henry Gornstein in recognition of his outstanding continuing contribution to Mammoth Mart.

(2) We have appointed as Executive Vice President, Alan D. Zaff, who has been charged with responsibility for day-to-day operations of the Company.

(3) Four new Senior Vice Presidents have been appointed: Frank H. Brenton, Senior Vice President-Finance and Treasurer; Edward Spector, Senior Vice President-Administration; Erwin H. Stone, Senior Vice President-Operations; and Irving S. Getz, Senior Vice President-Advertising and New Store Planning.

(4) Three new Vice Presidents have been appointed. Leon Schwarz has become Vice President-Merchandising (General Merchandise Manager-Hardlines), and Leonard Sack, Vice President-Merchandising (Merchandise Manager — Ladies and Childrens Division). They join Nathan Levine, Vice President-Merchandising (Merchandise Manager — Men's Wear) and Louis Zax, Vice President-Merchandising (Merchandise Manager — Footwear). Our Real Estate Department is assuming increased importance as our expansion program accelerates, and appointed to head this department is Irwin Cooperman, who has become Vice President-Real Estate.

(5) To assist our top-level executives, we have appointed five new officers: David Band, Assistant Vice President-Merchandising (Hardlines); Robert Barteaux, Assistant Vice President-Merchandising (Sporting Goods); Jeffrey Coffman, Assistant Treasurer; Thomas Butler, Assistant Vice President-Administration; and Stanley Sonnenfeld is Assistant Vice President-Operations.

As a result of this restructuring of management, we believe we are now in a position to attain the growth for which we are planning.

REAL ESTATE: In fiscal 1968-69 we expanded our Real Estate operations, actively seeking and analyzing situations outside of the six state New England area. In the year just ended,

we opened new stores in Fairhaven and Franklin, Massachusetts; Somersworth, New Hampshire; and Bennington, Vermont (our first store in that State). These stores added a total of 210,000 square feet, giving us an aggregate of 1.5 million square feet in our 27 stores.

In the current year, we expect to open six to eight new stores, located in New England, Maryland and North Carolina. Our analysis of the economic growth, population trends, and employment opportunities of available areas supports projected Mammoth Mart units in the Suburban Baltimore area and in North Carolina. We are further encouraged by the possibility of adding additional store locations in these areas providing for efficient future growth. Each of these non-New England units will receive the same careful supervision and control which have contributed to the success of our existing stores.

We are continuing to systematically renovate our older units, installing modern new fixtures and emphasizing the most effective and attractive methods of promotion and display for each department.

ELECTRONIC DATA PROCESSING: We recognize that the computer is an important aid to planning and control. During the year, we increased the size of our EDP Department and have initiated a number of effective programs utilizing the sophisticated Electronic Data Processing equipment which we have. We have new systems to assist in buying, shipping, inventory control; bookkeeping and market analysis. These procedures permit us to process goods more effectively and rapidly than before and also assist us in planning for future growth.

FINANCIAL COMMENTS: Our financial condition at the end of fiscal 1968-69 was excellent. Our working capital was $8,582,340 while our current ratio was 2.5 to 1.

We are now writing off new store opening costs on a twelve month basis, rather than the twenty-four month period previously used.

Last October, 78,000 shares of previously un-issued Common Stock were sold to the public in conjunction with a secondary offering of the Company's Common Stock. The proceeds accruing to the Company were added to our general funds and will be used for expansion and general corporate purposes.

In May, 1968, we split our shares on a 5-for-4 basis and maintained a quarterly dividend rate of $.125 per share, for a total payout during the year of $382,351. On April 1, 1969, subsequent to the close of the year, the Board of Directors authorized a 2 for 1 stock split, payable on May 23, 1969 to stockholders of record on May 6, 1969. The Board has indicated it intends to initiate an annual dividend policy of $.28 per share on the shares to be outstanding after this latest split, which represents a 12% increase in payout to the shareholders. This dividend would have been $.56 per share as compared to $.50 on a pre-split basis.

Power-Plus Promotions Provide Profits...

Mammoth Mart is continually kept in the public eye via our extensive advertising program of weekly newspaper ads, regularly scheduled sale circulars, smart fashion promotions, personality appearances, key item spot ads and institutional ads to promote our store image. Forceful, direct, power-plus advertising is reflected in the ever-increasing profit picture for Mammoth Mart.

Join the Bright Pantastics
WIDE LEG PANTS FOR EVERYONE!
LADIES' CHOICE . . . 3.99
MEN'S, YOUNG MEN'S CHOICE . . . 4.99
GIRLS' CHOICE . . . 1.99 AND 2.99
BOYS' CHOICE . . . 3.99
Mammoth MART
SELF-SERVICE • DISCOUNT DEPT. STORE
USE OUR CONVENIENT LAYAWAY PLAN
PLENTY OF FREE PARKING
14 REASONS WHY YOU SAVE MORE AT MAMMOTH MART
ON SALE THURSDAY—FRIDAY—SATURDAY ONLY
FOOTSEE
FUN GAME SEEN ON TV!
FOOTSEE 69¢
6 CUP CORNING WARE TEA POT 5.88
BOTTLE OF 100 PLUS RINSE BOTTLE OF 24 UNICAP MULTI-VITAMINS 1.68
Free offer
HIGH-DETERGENT GULF SAE 10W30 MOTOR OIL 5 QTS. FOR $1
PAGE NINE
DAILY ENTERPRISE—THURSDAY, AUGUST 8, 1968
Mammoth MART
SELF-SERVICE • DISCOUNT DEPT. STORE
Use Our Convenient Layaway Plan
MEN'S "ALPINE" or GARAGEMEN OXFORDS
MEN'S AND YOUNG MEN'S HI BULK ORLON SWEATERS 2.99
EVEN LITTLE GIRLS MEDITATE IN THE NEW-NOW LOOK
NEHR
• MEDITATION SHIRT JACS
• 2 PIECE NEHRU SLACK SUITS
• NEHRU DRESSES AND JUMPERS
ATTENTION BOYS AND GIRLS AGES 7 TO 14
WIN BIG PRIZES
Bob Cousy
FOUL SHOOTING BASKETBALL CONTEST
IN OUR MAM
BROCKTON DAILY ENTERPRISE—THURSDAY, AUGUST 29, 19
Mammoth MART
SELF-SERVICE • DISCOUNT DEPT. STORE
BROCKTON EAST SHOPPING PLAZA (Rte. 37)
WEYMOUTH, CANTON, RAYNHAM
BACK TO SCHOOL SAVINGS BONANZA
JUNIOR AND PETITES' BONDED ORLON KNIT DRESSES 8.99
WE'RE BURSTING WITH . . .
BLOOMIN' SAVINGS
FOR SPRING AND EASTER
Mammoth MART
SELF-SERVICE • DISCOUNT DEPT. STORE
ROUTE 2
Boys' Deluxe Maker No-Iron Permanent Press SPORT SHIRT

Mammoth Keeps Pace With The Most Modern Retailing Methods

Latest fashions are prominently displayed on attractive mannequins showing our customers that we offer the smartest styles at budget prices.

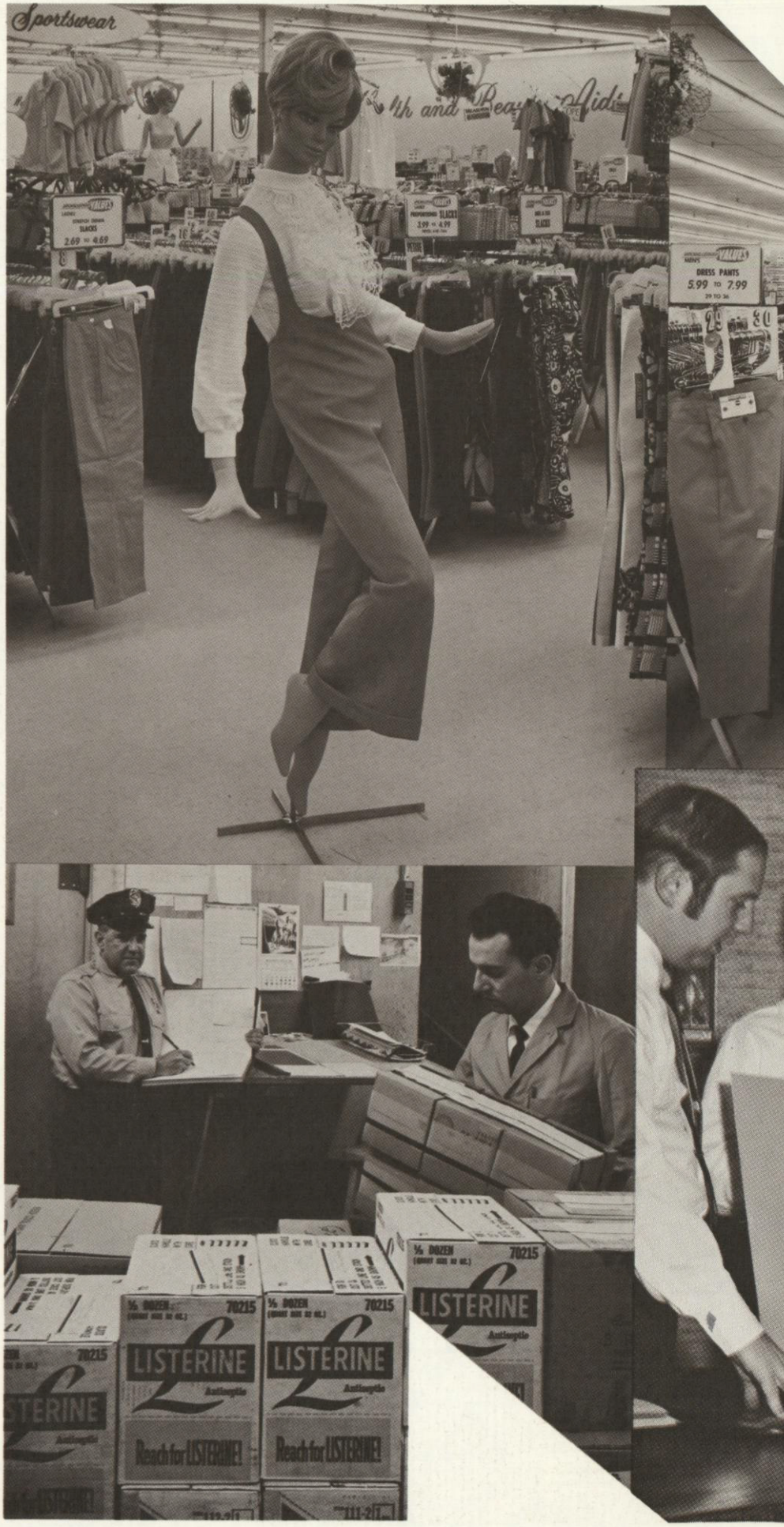
Newest merchandising concept of hanging racks of trousers for immediate, easy selection replaces old counter displays. This method increases sales, saves valuable shopping time, shows at a glance all available merchandise.

Mass impact of colorful Holiday displays such as this Easter Candy Assortment stimulate sales, add to the interior store decor.

Strict security procedure protects all merchandise as it is checked in our up-to-date receiving department.

Executives and Real Estate Department review new concept in store design.

Department Managers utilize preprints for inventory purposes, to facilitate ordering, keep their areas running at top efficiency.



LUGGAGE
MEN'S
DRESS PANTS
5.99 TO 7.99
33 TO 38
$3
PHOTO &
RADIOS
Thank you FOR YOUR PATRONAGE
SNACK BAR

TITAN

Mammoth Mart, Inc.
and Subsidiaries

CONSOLIDATED BALANCE SHEET

ASSETS

	February 1, 1969	February 3, 1968
Current Assets		
Cash	**$ 1,427,597**	$ 1,045,047
Short-term investments — at cost	**498,958**	499,206
Accounts receivable	**275,862**	166,788
Merchandise inventories, at the lower of cost or market as determined by the retail inventory method	**12,262,743**	7,350,444
Prepaid expenses	**23,655**	60,633
Total current assets	**14,488,815**	9,122,118
Property and Equipment — on the basis of cost		
Land	**22,101**	22,101
Fixtures and equipment	**4,709,693**	3,762,777
Leasehold improvements	**293,714**	240,035
	5,025,508	4,024,913
Less allowances for depreciation and amortization	**1,444,595**	1,017,349
	3,580,913	3,007,564
Unamortized Store Opening Costs (Note A)	**47,652**	183,853
Other Assets	**304,162**	218,429
	$18,421,542	$12,531,964

The accompanying notes are an integral part of the consolidated financial statements.

LIABILITIES AND STOCKHOLDERS' EQUITY

	February 1, 1969	February 3, 1968
Current Liabilities		
Accounts payable	$ 3,565,253	$ 2,434,272
Accrued payroll and other expenses	506,536	382,322
Taxes, other than federal income taxes	222,308	181,396
Federal income taxes	1,445,712	1,051,015
Current portion of long-term debt	166,666	166,667
Total current liabilities	5,906,475	4,215,672
Long-Term Debt, less current portion (Note B)	2,200,000	2,366,666
Deferred Federal Income Taxes	289,215	255,289
Stockholders' Equity		
Common Stock, par value $1 a share (Notes C and D): Authorized 3,000,000 shares (1,500,000 in 1968) Issued and outstanding 887,728 shares (554,748 in 1968)	887,728	554,748
Class B Common Stock, par value $1 a share, convertible into Common Stock on a share-for-share basis (Note D): Authorized 700,000 shares Issued and outstanding 106,220 shares (169,951 in 1968)	106,220	169,951
Additional Paid-In Capital	3,984,809	1,477,246
Retained Earnings (Note B)	5,047,095	3,492,392
	10,025,852	5,694,337
Long-Term Lease Commitments (Note E)		
	$18,421,542	$12,531,964

Mammoth Mart, Inc.
and Subsidiaries

STATEMENTS OF CONSOLIDATED RETAINED EARNINGS AND ADDITIONAL PAID-IN CAPITAL

	Year Ended February 1, 1969	Year Ended February 3, 1968
RETAINED EARNINGS		
Retained earnings at beginning of year	**$3,492,392**	$2,190,900
Retained earnings of pooled company at January 29, 1967	**—**	70,434
Net earnings	**1,937,054**	1,495,874
	5,429,446	3,757,208
Cash dividends on Common Stock ($.475 a share in 1969; $.40 in 1968)*	**382,351**	264,816
Retained Earnings at End of Year (Note B)	**$5,047,095**	$3,492,392
ADDITIONAL PAID-IN CAPITAL		
Balance at beginning of year	**$1,477,246**	$1,479,811
Excess of proceeds over par value of 78,000 shares of stock sold	**2,627,213**	—
Excess of option price over par value of 9,400 (4,799 in 1968) shares issued upon exercise of stock options	**75,479**	32,868
Par value of 139,363 shares of Common Stock and 42,486 shares of Class B Common Stock issued in connection with 5 for 4 stock split	**(181,849)**	—
Sundry other charges	**(13,280)**	(35,433)
Balance at End of Year	**$3,984,809**	$1,477,246

**Per share amounts have been adjusted to reflect the 5 for 4 stock split distributed on May 15, 1968.*

The accompanying notes are an integral part of the consolidated financial statements.

Mammoth Mart, Inc.
and Subsidiaries

STATEMENT OF CONSOLIDATED EARNINGS

	Year Ended February 1, 1969	Year Ended February 3, 1968
Sales (including concessionaires')	**$66,910,596**	$53,148,137
Less concessionaires' sales	**6,922,197**	9,971,716
Sales (owned departments)	**59,988,399**	43,176,421
Gross rentals from concessionaires	**794,763**	1,211,513
Other income	**180,469**	272,495
	60,963,631	44,660,429
Costs and expenses:		
Cost of goods sold, buying and occupancy expenses	**43,820,079**	32,485,284
Selling, general and administrative expenses	**12,927,747**	9,073,733
Depreciation and amortization (Note F)	**442,979**	343,356
Interest	**176,772**	147,182
	57,367,577	42,049,555
Earnings Before Federal Income Taxes	**3,596,054**	2,610,874
Federal income taxes:		
Current (Note G)	**1,625,074**	1,017,410
Deferred	**33,926**	97,590
	1,659,000	1,115,000
Net Earnings ($2.07 a share in 1969; $1.66 in 1968)*	**$ 1,937,054**	$ 1,495,874

**Per share amounts have been adjusted to reflect the 5 for 4 stock split distributed on May 15, 1968.*

The accompanying notes are an integral part of the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

February 1, 1969

NOTE A — UNAMORTIZED STORE OPENING COSTS

Certain nonrecurring preopening costs incurred in connection with the opening of new store units, principally costs of training sales personnel, publicity expenses and advertising costs, are deferred and amortized over a period of twelve months commencing with the start of store operations. In prior years it had been the Company's policy to amortize these costs over a twenty-four month period. This change had the effect of reducing net earnings for the year by approximately $42,000.

NOTE B — LONG-TERM DEBT

Long-term debt at February 1, 1969 was as follows:

6¼% Note payable to insurance company due in annual installments of $180,000 beginning January 15, 1971	$2,200,000
6¼% Note payable to bank, final installment due January 15, 1970	166,666
	2,366,666
Less current portion	166,666
	$2,200,000

The related note agreements contain, among other things, limitations and restrictions as to indebtedness, lease rentals, total liabilities, working capital and cash dividends. At February 1, 1969, $1,872,590 of consolidated retained earnings were not restricted as to payment of cash dividends.

NOTE C — STOCK OPTION PLAN

The Company has a plan pursuant to which stock options may be granted to certain officers and key employees to purchase shares of Common Stock at a price not less than the fair market value thereof at the date of grant. Options granted are exercisable over a period not exceeding five years, but no portion of any option may be exercised for at least one year after the date of grant. On May 20, 1968, the stockholders approved an amendment to the Plan making 25,000 additional shares available for options. During the year ended February 1, 1969, options to purchase 3,437 shares were granted and options for 10,438 shares were exercised. At February 1, 1969, options were outstanding for the purchase of 46,546 shares at prices ranging from $5.65 to $34.44 per share and 9,364 shares were available for future grant. The number of shares and per share amounts reflect the 5 for 4 stock split.

NOTE D — COMMON STOCK AND CLASS B COMMON STOCK

On April 8, 1968 the Board of Directors authorized a split-up of the Common Stock and Class B Common Stock on a 5 for 4 basis.

On May 20, 1968 the stockholders voted to increase the number of authorized shares of Common Stock from 1,500,000 to 3,000,000.

Conversions of 106,217 and 84,975 shares of Class B Common Stock into a like number of shares of Common Stock were effected during the years ended February 1, 1969 and February 3, 1968, respectively.

During the year ended February 3, 1968, 6,616 shares of Common Stock were issued in a pooling of interests transaction.

NOTE E — LONG-TERM LEASES

Long-term leases for real property occupied at February 1, 1969 provided for aggregate minimum annual rentals of approximately $2,070,000 (exclusive of taxes, insurance, and other expenses to be paid by the lessee). In addition, the Company has signed leases or letters of intent to lease eight additional stores requiring minimum annual rentals aggregating $657,000. The aforementioned minimum annual rentals classified as to the period within which the related leases expire is as follows: $180,000 prior to 1980; $1,483,000 in 1981-1990; $1,064,000 in 1991-1999.

NOTE F — DEPRECIATION AND AMORTIZATION POLICY

Provisions for depreciation and amortization of property and equipment have been computed principally by the straight-line method.

NOTE G — FEDERAL INCOME TAXES

Investment tax credits of $91,620 ($65,775 in 1968) have been reflected in the provision for federal income taxes.

ACCOUNTANTS' REPORT

ERNST & ERNST
225 FRANKLIN STREET
BOSTON, MASS. 02110

To the Stockholders
Mammoth Mart, Inc.
West Bridgewater, Massachusetts

We have examined the consolidated financial statements of Mammoth Mart, Inc. and subsidiaries for the fiscal year ended February 1, 1969. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We previously made a similar examination of the consolidated financial statements for the preceding year.

In our opinion, the accompanying balance sheet and statements of earnings, retained earnings, additional paid-in capital and source and application of funds present fairly the consolidated financial position of Mammoth Mart, Inc. and subsidiaries at February 1, 1969, and the consolidated results of their operations, changes in stockholders' equity, and source and application of funds for the fiscal year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Boston, Massachusetts
March 31, 1969

ERNST & ERNST

Mammoth Mart, Inc.
and Subsidiaries

STATEMENT OF CONSOLIDATED SOURCE AND APPLICATION OF FUNDS

	Year Ended February 1, 1969	Year Ended February 3, 1968
Source of Funds:		
From operations:		
Net earnings	**$1,937,054**	$1,495,874
Depreciation and amortization of property and equipment	**442,979**	343,356
Amortization of store opening costs	**255,175**	173,727
Increase in deferred federal income taxes	**33,926**	97,590
Total from Operations	**2,669,134**	2,110,547
Proceeds from sales of Common Stock, etc.	**2,776,812**	79,284
Increase in long-term debt	**—**	866,666
	5,445,946	3,056,497
Application of Funds:		
Additions to property and equipment, less disposals	**1,016,328**	998,592
Cash dividends paid	**382,351**	264,816
Decrease in long-term debt	**166,666**	—
Store opening costs deferred	**118,974**	167,673
Increase in other assets	**85,733**	72,038
	1,770,052	1,503,119
Increase in Working Capital	**$3,675,894**	$1,553,378

The accompanying notes are an integral part of the consolidated financial statements.

Mammoth Mart, Inc.
and Subsidiaries

5-YEAR FINANCIAL COMPARISONS

	1969	1968	1967	1966	1965
Operating Results:					
Sales (including concessionaires')	**$66,910,596**	$53,148,137	$44,042,368	$32,881,416	$26,720,918
Concessionaires' Sales	**6,922,197**	9,971,716	10,068,396	9,190,156	7,952,235
Sales (own departments)	**59,988,399**	43,176,421	33,973,972	23,691,260	18,768,683
Earnings Before Income Taxes	**3,596,054**	2,610,874	2,052,078	1,564,972	947,748
Federal Income Taxes	**1,659,000**	1,115,000	880,000	659,540	383,809
Net Earnings	**$ 1,937,054**	$ 1,495,874	$ 1,172,078	$ 905,432	$ 563,939
Working Capital, Property and Other Assets:					
Current Assets	**$14,488,815**	$ 9,122,118	$ 6,494,233	$ 5,769,203	$ 3,840,518
Less Current Liabilities	**5,906,475**	4,215,672	3,141,165	2,211,569	1,278,248
Working Capital	**8,582,340**	4,906,446	3,353,068	3,557,634	2,562,270
Property and Equipment	**3,580,913**	3,007,564	2,352,328	1,322,043	1,093,837
Other Assets	**351,814**	402,282	336,298	163,615	120,764
	$12,515,067	$ 8,316,292	$ 6,041,694	$ 5,043,292	$ 3,776,871
Capitalization:					
Long-Term Debt	**$ 2,200,000**	$ 2,366,666	$ 1,500,000	$ 1,600,000	$ 1,133,333
Deferred Federal Income Taxes	**289,215**	255,289	157,699	73,908	64,097
Stockholders' Equity	**10,025,852**	5,694,337	4,383,995	3,369,384	2,579,441
	$12,515,067	$ 8,316,292	$ 6,041,694	$ 5,043,292	$ 3,776,871
Significant Comparative Statistics:					
Net Earnings Per Share‡*	**$ 2.07**	$1.66	$1.32	$1.02	$ .76
Net Earnings as Per Cent of Net Sales	**3.2%**	3.5%	3.4%	3.8%	3.0%
Net Earnings as Per Cent of Stockholders' Equity at Beginning of Year	**34.0%**	34.1%	34.8%	35.1%	48.3%
Ratio of Current Assets to Current Liabilities	**2.5 to 1**	2.2 to 1	2.1 to 1	2.6 to 1	3.0 to 1
Book Value Per Share††*	**$10.09**	$6.29	$4.92	$3.81	$2.91
Average Number of Shares Outstanding During Year	**935,282**	902,647	888,384	885,156	737,631

‡Based on average number of shares outstanding during year.
††Based on shares outstanding at end of year.
**Adjusted for the 5 for 4 stock split distributed on May 15, 1968.*

DIRECTORS

Max Coffman, Chairman
Henry Gornstein
Alan D. Zaff
Frank H. Brenton
Edward Spector
Belmont Towbin, Partner, C. E. Unterberg, Towbin Co.
Daniel Coven, Financial Consultant
John E. Beard, Partner, Ropes and Gray

OFFICERS

Max Coffman
Chairman of The Board
President

Henry Gornstein
Vice-Chairman of The Board

Alan D. Zaff
Executive Vice-President
Secretary

Frank H. Brenton
Senior Vice-President — Finance
Treasurer

Edward Spector
Senior Vice-President — Administration

Irving S. Getz
Senior Vice-President — Advertising
And New Store Planning

Erwin H. Stone
Senior Vice-President — Operations

Nathan Levine
Vice-President — Merchandising

Leonard Sack
Vice-President — Merchandising

Louis Zax
Vice-President — Merchandising

Leon Schwarz
Vice-President — Merchandising

Irwin Cooperman
Vice-President — Real Estate

Sumner T. Bernstein
Clerk

David Band
Assistant Vice-President — Merchandising

Robert Barteaux
Assistant Vice-President — Merchandising

Jeffrey Coffman
Assistant Treasurer

Thomas Butler
Assistant Vice-President — Administration

Stanley Sonnenfeld
Assistant Vice-President — Operations

CORPORATE COUNSEL

Ropes and Gray, Boston, Mass.

AUDITORS

Ernst & Ernst, Boston, Mass.

TRANSFER AGENTS

State Street Bank and Trust Company
Boston, Mass.

Irving Trust Company, New York, N.Y.

REGISTRARS

The First National Bank of Boston,
Boston, Mass.

The Bank of New York, New York

EXECUTIVE OFFICES

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West Bridgewater, Mass. 02379

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